

Poverty in India

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January 2023

Introduction

Poverty is a condition in which an individual does not have enough financial resources for basic human needs such as proper housing, clean water, and food. It is one of the major issues in India as more than 18 percent of the country's population lives below the poverty line. The gap between rich and poor has grown a lot. Although over the years conditions have improved but in the rural sector things are worse. It impacts people in many different ways such as malnutrition, lack of education, etc.

Although the poverty rates have fallen over the years, nearly 140 million people lifted out of multidimensional poverty, India is still home to the poorest people in the world. Therefore there is a need to analyze and visualize the data on poverty in the country, in different states, and also how it is affected by various factors such as economic growth of the state, literacy rates, employment, and population of the state over the years.

By analyzing poverty levels in India over the years we can formulate various strategies for the reduction/ eradication of poverty and also help develop different programs and introduce reforms for the same. Visualization of the factors affecting poverty will give us valuable insights and we can increase sustainable development and economic growth in the country. Overall provide better decision-making.

The World Bank Organization is working harder to find indicators for the other dimensions of poverty. This job involves identifying indicators to monitor vulnerability, access to resources, health, and education

This report further explains the data sets being used for the project and the sources from which they have been obtained. Also, the relation of the several factors mentioned above with poverty, and how they affect poverty. The data set of the factors mentioned will also be used for the analysis.

Objective of the analysis

1. To analyze the causes and past state-wise poverty levels in the country.
2. To study the impact of poverty on the country.
3. To suggest suitable measures for the reduction of poverty levels.

Scope

The primary data set being used contains the Number and percentage of the population below the poverty line from 1973-2012. It consists of both rural and urban data on the number of people (in thousand) and also the percentage of people in every state below the poverty line based on MRP (Mixed Recall Period), which may not accurately capture the full extent of poverty in the country but can give a valuable idea of the state of poverty in India from the year 1973 to 2012. In the data, the poverty line of Kerala has been used for Lakshadweep and the poverty line of Punjab has been used for Chandigarh. This data set

has been obtained from the Reserve Bank of India handbook of statistics on Indian states.

This study uses multiple data sets for the analysis of poverty in India since poverty is a trap in which a person who is in poverty will have low income which often means a low level of education and health care resulting in low productivity, therefore, leading to poor economic growth. This cycle keeps on repeating. So data sets of the factors that are state-wise GDP, literacy rates, employment, and population growth of all the states over the years.

The data on state-wise literacy rates is recorded once every decade in India so it is only present for the years 1971,1981,1991,2001,2011 which can limit the granularity of analysis. Another limitation can be that literacy rates may not be a perfect measure for education levels as they do not capture the quality of education or the types of skills being taught that may help an individual get employed. The unemployment data consists of both rural and urban data for comparison of poverty in both urban and rural areas of every state, However its important to note that this data set may not capture underemployment which could be a significant contributor to poverty in India.

GDP is a indicator of how the economy is doing so it can only give rough idea of poverty in the state. As economic growth may raise the income of everyone in the society so the distribution of income may not change. Therefore there is a need for other important factors. The literacy rate is a key factor affecting poverty as the higher the rate better is the employment in a state and more people can contribute to economic growth.

Poverty is both influenced and influences the population of a state, therefore it has a critical impact on the country's development. If rapid population growth outpaces the economic growth rate of the country then the growth of the country would become very difficult. It is important to note that the data set being used is limited from 1973 to 2011, therefore it may not capture the recent changes in population growth rates, and all of the other factors.

The unemployment rate is also a key factor as a lower rate would mean that people of the state have a steady income and can meet minimum needs. All of this data would be clubbed and used for the project.

Overall, these data-sets provide valuable information on poverty levels and factors affecting poverty in India. It is important that we keep in mind their limitations which have been mentioned above.

Database Schema

The below database schema describes how the data in different tables, i.e, State-wise poverty, Literacy rate, Population, Unemployment, GDP are related to each other. So it can clearly be seen that state and year are common to all the tables then depending on the table one variable is different.

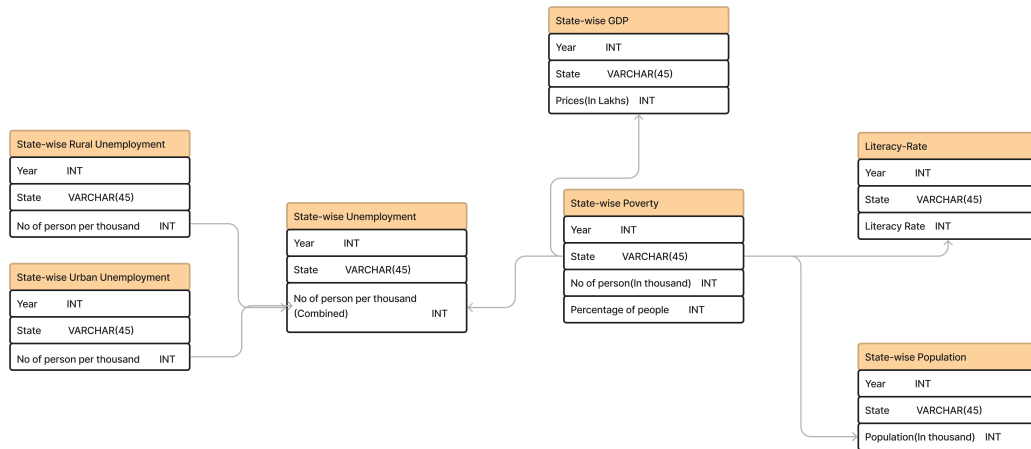


Figure 1: Database Schema

Conclusion

Analysis of the data on poverty in India along with the various key factors affecting it can be used to formulate policies or introduce programs by the government for reducing poverty levels and also understanding the factors affecting it better. The dependency of the factors has also been explained above. Now using the data we can compare how poverty is affected by different factors in different states and how each of the states contributed towards eradicating poverty from the country. This will help us understand the data well and improve the process of creation of poverty-eradication policies as they could be different for each state based on the factor that affects poverty the most in a particular state.

Overleaf link : <https://www.overleaf.com/3936276833qmpfqytfmjccq>

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